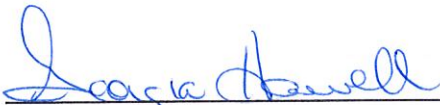

Audited Financial Statements


Of the Holy Family Roman Catholic Separate School Division No. 140

School Division No. 1406000

For the Period Ending: August 31, 2022



Chief Financial Officer



Auditor

Note - Copy to be sent to Ministry of Education, Regina

Management's Responsibility for the Financial Statements

The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible for the appointment of the school division's external auditors.

The external auditors, Grant Thornton LLP, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the school division's financial statements. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

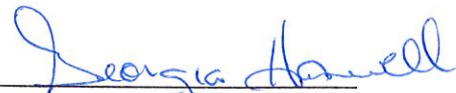
On behalf of the Holy Family Roman Catholic Separate School Division No. 140:



Board Chair



CEO/Director of Education



Chief Financial Officer

November 16, 2022

Independent auditor's report

Grant Thornton LLP
206 Hill Ave.
Weyburn, SK
S4H 1M5
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To the Directors of Holy Family Roman Catholic Separate School Division #140:

Opinion

We have audited the financial statements of Holy Family Roman Catholic Separate School Division #140 ("the School Division"), which comprise the statement of financial position as at August 31, 2022, and the statement of operations and accumulated surplus from operations, statement of changes in net financial assets and statement of cash flows for the year then ended, with related schedules and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of Holy Family Roman Catholic Separate School Division #140 present fairly, in all material respects, the financial position of the School Division as at August 31, 2022 and the results of its operations and accumulated surplus from operations, changes in its net financial assets and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the School Division in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2(i) to the financial statements, which explains that certain comparative information presented for the year ended August 31, 2021 has been restated. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the School Division's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the School Division or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School Division's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with

Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Division's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School Division's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Weyburn, Canada
December 13, 2022

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Chartered Professional Accountants

Holy Family Roman Catholic Separate School Division No. 140
Statement of Financial Position
as at August 31, 2022

	2022	2021
	\$	\$
Financial Assets		(Restated - Note 2(i))
Cash and Cash Equivalents	4,193,498	5,287,928
Accounts Receivable (Note 7)	2,307,847	2,649,368
Portfolio Investments (Note 3)	4,207	4,038
Total Financial Assets	6,505,552	7,941,334
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	487,473	649,392
Long-Term Debt (Note 9)	1,240,283	1,331,481
Liability for Employee Future Benefits (Note 5)	384,300	377,900
Deferred Revenue (Note 10)	513,844	163,167
Total Liabilities	2,625,900	2,521,940
Net Financial Assets	3,879,652	5,419,394
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	10,864,814	11,338,270
Prepaid Expenses	122,737	171,625
Total Non-Financial Assets	10,987,551	11,509,895
Accumulated Surplus (Note 13)	14,867,203	16,929,289

Contractual Obligations (Note 15)

The accompanying notes and schedules are an integral part of these statements.

Approved by the Board:

Bruce Tuchscher Chairperson

Georgia Howell Chief Financial Officer

Holy Family Roman Catholic Separate School Division No. 140
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
	\$	\$	\$
	(Note 14)		(Restated Note 2(i))
REVENUES			
Property Taxes and Other Related	5,078,414	4,425,368	6,347,765
Grants	8,213,587	8,311,264	9,269,404
Tuition and Related Fees	5,209	10,816	10,816
School Generated Funds	300,000	202,787	100,504
Complementary Services (Note 11)	318,086	284,952	313,079
External Services (Note 12)	6,401	221,720	6,419
Other	41,015	66,022	52,087
Total Revenues (Schedule A)	13,962,712	13,522,929	16,100,074
EXPENSES			
Governance	127,513	100,425	102,168
Administration	1,098,900	1,152,520	1,073,155
Instruction	10,999,205	11,120,519	11,920,721
Plant Operation & Maintenance	1,936,354	1,908,692	2,615,401
Student Transportation	423,542	433,062	435,943
Tuition and Related Fees	37,000	36,250	30,663
School Generated Funds	299,563	206,305	145,124
Complementary Services (Note 11)	335,464	356,852	315,803
External Services (Note 12)	12,380	227,595	20,533
Other	49,319	42,795	69,720
Total Expenses (Schedule B)	15,319,240	15,585,015	16,729,231
Operating Deficit for the Year	(1,356,528)	(2,062,086)	(629,157)
Accumulated Surplus from Operations, Beginning of Year	16,929,289	16,929,289	17,558,446
Accumulated Surplus from Operations, End of Year	15,572,761	14,867,203	16,929,289

The accompanying notes and schedules are an integral part of these statements.

Holy Family Roman Catholic Separate School Division No. 140
Statement of Changes in Net Financial Assets
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$ (Note 14)	\$	\$ (Restated - Note 2(i))
Net Financial Assets, Beginning of Year	5,419,394	5,419,394	5,710,399
Changes During the Year			
Operating Deficit for the Year	(1,356,528)	(2,062,086)	(629,157)
Acquisition of Tangible Capital Assets (Schedule C)	(5,000)	(105,730)	(254,915)
Net Loss on Disposal of Capital Assets (Schedule C)	-	5,497	-
Amortization of Tangible Capital Assets (Schedule C)	618,711	573,689	586,650
Net Change in Other Non-Financial Assets	-	48,888	6,417
Change in Net Financial Assets	(742,817)	(1,539,742)	(291,005)
Net Financial Assets, End of Year	4,676,577	3,879,652	5,419,394

The accompanying notes and schedules are an integral part of these statements.

Holy Family Roman Catholic Separate School Division No. 140

Statement of Cash Flows for the year ended August 31, 2022

	2022	2021
	\$	\$
		(Restated - Note 2(i))
OPERATING ACTIVITIES		
Operating Deficit for the Year	(2,062,086)	(629,157)
Add Non-Cash Items Included in Surplus (Schedule D)	579,186	586,650
Net Change in Non-Cash Operating Activities (Schedule E)	585,567	(276,219)
Cash Used by Operating Activities	(897,333)	(318,726)
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(105,730)	(254,915)
Cash Used by Capital Activities	(105,730)	(254,915)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(169)	(130)
Cash Used by Investing Activities	(169)	(130)
FINANCING ACTIVITIES		
Repayment of Long-Term Debt	(91,198)	(87,575)
Cash Used by Financing Activities	(91,198)	(87,575)
DECREASE IN CASH AND CASH EQUIVALENTS	(1,094,430)	(661,346)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,287,928	5,949,274
CASH AND CASH EQUIVALENTS, END OF YEAR	4,193,498	5,287,928

The accompanying notes and schedules are an integral part of these statements.

Holy Family Roman Catholic Separate School Division No. 140
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
Property Taxes and Other Related Revenue	(Note 14)		
Tax Levy Revenue			
Property Tax Levy Revenue	5,078,414	4,417,586	6,229,479
Revenue from Supplemental Levies	-	(48,748)	(73)
Total Property Tax Revenue	<u>5,078,414</u>	<u>4,368,838</u>	<u>6,229,406</u>
Grants in Lieu of Taxes			
Federal Government	-	2,133	2,858
Provincial Government	-	31,524	39,532
Other	-	26,866	47,239
Total Grants in Lieu of Taxes	<u>-</u>	<u>60,523</u>	<u>89,629</u>
Other Tax Revenues			
House Trailer Fees	-	5,724	7,563
Total Other Tax Revenues	<u>-</u>	<u>5,724</u>	<u>7,563</u>
Additions to Levy			
Penalties	-	20,133	39,479
Total Additions to Levy	<u>-</u>	<u>20,133</u>	<u>39,479</u>
Deletions from Levy			
Cancellations	-	(29,850)	(18,312)
Total Deletions from Levy	<u>-</u>	<u>(29,850)</u>	<u>(18,312)</u>
Total Property Taxes and Other Related Revenue	<u>5,078,414</u>	<u>4,425,368</u>	<u>6,347,765</u>
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	7,914,303	7,940,688	7,124,497
Other Ministry Grants	264,284	337,097	527,324
Total Ministry Grants	<u>8,178,587</u>	<u>8,277,785</u>	<u>7,651,821</u>
Other Provincial Grants	35,000	33,479	1,617,583
Total Operating Grants	<u>8,213,587</u>	<u>8,311,264</u>	<u>9,269,404</u>
Total Grants	<u>8,213,587</u>	<u>8,311,264</u>	<u>9,269,404</u>

Holy Family Roman Catholic Separate School Division No. 140
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
Tuition and Related Fees Revenue	(Note 14)		
Operating Fees			
Tuition Fees			
Individuals and Other	5,209	10,816	10,816
Total Tuition and Related Fees Revenue	5,209	10,816	10,816
School Generated Funds Revenue			
Non-Curricular Fees			
Commercial Sales - GST	35,000	-	-
Commercial Sales - Non-GST	-	18,208	1,717
Fundraising	80,000	61,775	15,452
Grants and Partnerships	2,500	5,602	9,186
Students Fees	2,500	45,801	6,000
Other	180,000	71,401	68,149
Total Non-Curricular Fees	300,000	202,787	100,504
Total School Generated Funds Revenue	300,000	202,787	100,504
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	211,662	195,424	206,004
Other Ministry Grants	106,424	89,528	107,075
Total Operating Grants	318,086	284,952	313,079
Total Complementary Services Revenue	318,086	284,952	313,079

Holy Family Roman Catholic Separate School Division No. 140
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$	\$	\$
External Services	(Note 14)		
Operating Grants			
Ministry of Education Grants		215,000	-
Other Ministry Grants	-	6,720	-
Other Provincial Grants	6,401		6,419
Total External Services Revenue	6,401	221,720	6,419
Other Revenue			
Miscellaneous Revenue	-	16,815	8,806
Investments	41,015	49,207	43,281
Total Other Revenue	41,015	66,022	52,087
TOTAL REVENUE FOR THE YEAR	13,962,712	13,522,929	16,100,074

Holy Family Roman Catholic Separate School Division No. 140
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$ (Note 14)	\$	\$ (Restated - Note 2(i))
Governance Expense			
Board Members Expense	57,004	47,082	48,194
Professional Development - Board Members	18,500	5,513	3,769
Grants to School Community Councils	3,500	-	-
Elections	-	-	3,222
Other Governance Expenses	48,509	47,830	46,983
Total Governance Expense	127,513	100,425	102,168
Administration Expense			
Salaries	740,406	806,886	747,635
Benefits	84,854	84,838	96,179
Supplies & Services	76,100	72,335	69,347
Non-Capital Furniture & Equipment	8,500	3,979	4,122
Building Operating Expenses	108,500	108,428	106,851
Communications	12,000	10,862	10,528
Travel	9,200	4,851	1,480
Professional Development	36,400	31,480	15,377
Amortization of Tangible Capital Assets	22,940	28,861	21,636
Total Administration Expense	1,098,900	1,152,520	1,073,155
Instruction Expense			
Instructional (Teacher Contract) Salaries	7,427,184	7,411,381	7,854,723
Instructional (Teacher Contract) Benefits	393,593	418,978	450,590
Program Support (Non-Teacher Contract) Salaries	1,800,457	1,947,041	1,873,214
Program Support (Non-Teacher Contract) Benefits	395,687	432,402	394,152
Instructional Aids	395,558	439,751	771,469
Supplies & Services	186,981	159,674	234,384
Non-Capital Furniture & Equipment	106,940	105,169	115,750
Communications	30,375	28,182	34,993
Travel	26,248	21,716	13,405
Professional Development	85,105	74,751	74,572
Student Related Expense	23,965	23,435	21,650
Amortization of Tangible Capital Assets	127,112	58,039	81,819
Total Instruction Expense	10,999,205	11,120,519	11,920,721

Holy Family Roman Catholic Separate School Division No. 140
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$ (Note 14)	\$	\$ (Restated - Note 2(i))
Plant Operation & Maintenance Expense			
Salaries	563,144	547,521	553,513
Benefits	123,819	111,476	122,889
Supplies & Services	16,246	16,167	8,957
Non-Capital Furniture & Equipment	8,000	20,961	32,790
Building Operating Expenses	798,979	769,130	1,462,792
Communications	8,000	6,271	6,632
Travel	12,200	25,256	18,855
Professional Development	7,900	985	1,643
Amortization of Tangible Capital Assets	398,066	406,947	403,352
Amortization of Tangible Capital Assets ARO	-	3,978	3,978
Total Plant Operation & Maintenance Expense	1,936,354	1,908,692	2,615,401
Student Transportation Expense			
Salaries	180,635	204,138	211,796
Benefits	45,470	43,121	44,395
Supplies & Services	55,225	64,871	49,898
Non-Capital Furniture & Equipment	50,000	44,221	59,294
Communications	5,750	2,640	3,060
Contracted Transportation	36,000	23,109	16,538
Amortization of Tangible Capital Assets	50,462	50,962	50,962
Total Student Transportation Expense	423,542	433,062	435,943
Tuition and Related Fees Expense			
Tuition Fees	37,000	36,250	30,663
Total Tuition and Related Fees Expense	37,000	36,250	30,663
School Generated Funds Expense			
Academic Supplies & Services	2,000	3,989	4,817
Cost of Sales	76,000	38,020	9,587
Non-Capital Furniture & Equipment	12,000	468	18,672
School Fund Expenses	190,000	139,494	87,713
Amortization of Tangible Capital Assets	19,563	24,334	24,335
Total School Generated Funds Expense	299,563	206,305	145,124

Holy Family Roman Catholic Separate School Division No. 140
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2022

	2022 Budget	2022 Actual	2021 Actual
	\$ (Note 14)	\$	\$ (Restated - Note 2(i))
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	165,834	149,095	149,024
Program Support (Non-Teacher Contract) Salaries & Benefits	142,323	184,441	147,744
Instructional Aids	4,682	11,870	4,607
Supplies & Services	7,000	4,578	6,558
Non-Capital Furniture & Equipment	500	529	2,628
Communications	2,000	1,615	1,403
Travel	7,982	3,953	2,863
Professional Development (Non-Salary Costs)	4,575	203	408
Amortization of Tangible Capital Assets	568	568	568
Total Complementary Services Expense	335,464	356,852	315,803
External Service Expense			
Other Fees	-	204,250	-
Administration Salaries & Benefits	-	10,750	-
Program Support (Non-Teacher Contract) Salaries & Benefits	12,238	12,452	12,239
Supplies & Services	115	115	8,267
Travel	27	28	27
Total External Services Expense	12,380	227,595	20,533
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	3,100	5,096	12,958
Interest on Capital Loans	46,219	48,092	51,726
Total Interest and Bank Charges	49,319	53,188	64,684
Loss on Disposal of Tangible Capital Assets	-	5,497	-
Provision for Uncollectable Accounts	-	(15,890)	5,036
Total Other Expense	49,319	42,795	69,720
TOTAL EXPENSES FOR THE YEAR	15,319,240	15,585,015	16,729,231

Holy Family Roman Catholic Separate School Division No. 140

Schedule C - Supplementary Details of Tangible Capital Assets

for the year ended August 31, 2022

	Land	Buildings	Buildings	School	Other	Furniture	Computer	Computer			
	Improvements	Buildings	Short-Term	ARO	Buses	Vehicles	and Equipment	Hardware and Audio Visual Equipment	Software	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Tangible Capital Assets - at Cost</i>											
Opening Balance as of September 1	107,242	13,937,385	1,977,958	240,734	955,314	104,742	998,904	867,271	83,479	19,273,029	19,018,114
Additions/Purchases	-	-	-	-	-	-	60,992	10,092	34,646	105,730	254,915
Disposals	-	-	-	-	-	-	(13,742)	-	-	(13,742)	-
Closing Balance as of August 31	107,242	13,937,385	1,977,958	240,734	955,314	104,742	1,046,154	877,363	118,125	19,365,017	19,273,029
<i>Tangible Capital Assets - Amortization</i>											
Opening Balance as of September 1	30,989	4,853,191	727,446	172,503	638,907	89,426	529,660	825,854	66,783	7,934,759	7,348,109
Amortization of the Period	5,362	269,538	100,249	3,978	50,962	7,658	96,114	16,203	23,625	573,689	586,650
Disposals	-	-	-	-	-	-	(8,245)	-	-	(8,245)	-
Closing Balance as of August 31	36,351	5,122,729	827,695	176,481	689,869	97,084	617,529	842,057	90,408	8,500,203	7,934,759
Net Book Value											
Opening Balance as of September 1	76,253	9,084,194	1,250,512	68,231	316,407	15,316	469,244	41,417	16,696	11,338,270	11,838,530
Closing Balance as of August 31	70,891	8,814,656	1,150,263	64,253	265,445	7,658	428,625	35,306	27,717	10,864,814	11,338,270
Change in Net Book Value	(5,362)	(269,538)	(100,249)	(3,978)	(50,962)	(7,658)	(40,619)	(6,111)	11,021	(473,456)	(500,260)
Disposals											
Historical Cost	-	-	-	-	-	-	13,742	-	-	13,742	-
Accumulated Amortization	-	-	-	-	-	-	8,245	-	-	8,245	-
Net Cost	-	-	-	-	-	-	5,497	-	-	5,497	-
Loss on Disposal	-	-	-	-	-	-	(5,497)	-	-	(5,497)	-
Net Book Value (NBV) of Assets Pledged as Security for Debt											
	-	-	-	-	-	-	-	-	-	-	7,016

An asset retirement obligation for the removal and disposal of asbestos (Note 8) is related to buildings with a net book value of \$4,388,075 (2021 - \$4,437,475)

Holy Family Roman Catholic Separate School Division No. 140
Schedule D: Non-Cash Items Included in Deficit
for the year ended August 31, 2022

	2022	2021
	\$	\$
Non-Cash Items Included in Deficit		(Restated - Note 2(i))
Amortization of Tangible Capital Assets (Schedule C)	573,689	586,650
Loss on Disposal of Tangible Capital Assets (Schedule C)	5,497	-
Total Non-Cash Items Included in Deficit	579,186	586,650

Holy Family Roman Catholic Separate School Division No. 140
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2022

	2022	2021
	\$	\$
Net Change in Non-Cash Operating Activities		
Decrease in Accounts Receivable	341,521	32,517
Decrease in Accounts Payable and Accrued Liabilities	(161,919)	(32,310)
Increase in Liability for Employee Future Benefits	6,400	26,300
Increase (Decrease) in Deferred Revenue	350,677	(309,143)
Decrease in Prepaid Expenses	48,888	6,417
Total Net Change in Non-Cash Operating Activities	585,567	(276,219)

Holy Family Roman Catholic Separate School Division No. 140
Schedule F: Detail of Designated Assets
for the year ended August 31, 2022

	August 31 2021	Additions during the year	Reductions during the year	August 31 2022
	\$	\$	\$	\$ (Note 13)
External Sources				
Jointly Administered Funds				
School generated funds	126,498	202,788	185,935	143,351
Scholarship funding	34,000	19,000	22,000	31,000
Total Jointly Administered Funds	160,498	221,788	207,935	174,351
Ministry of Education				
PMR maintenance project allocations	379,519	279,070	150,095	508,494
Education Emergency Pandemic Support program allocation	449,614	-	449,614	-
Early Childhood Intervention Program	50,417	64,528	98,541	16,404
English as an Additional Language	11,766	2,411	202	13,975
Early Learning Intensive Supports	22,622	25,000	28,534	19,088
French Grant	53,113	9,531	48,387	14,257
Mental Health and First Aid	4,600	10,682	13,829	1,453
Total Ministry of Education	971,651	391,222	789,202	573,671
Total	1,132,149	613,010	997,137	748,022
Internal Sources				
Curriculum and student learning				
Staffing and operational	880,175	800,580	880,175	800,580
School Based Budget Carry Forward	28,560	9,442	16,404	21,598
Total curriculum and student learning	908,735	810,022	896,579	822,178
Information technology				
Infrastructure renewal	79,367	-	45,804	33,563
Total information technology	79,367	-	45,804	33,563
Other				
Grant Reconciliation	2,502,342	1,519,306	1,899,862	2,121,786
Joint Use Project	11,241	-	-	11,241
Total Other	2,513,583	1,519,306	1,899,862	2,133,027
Professional development				
Contractual employee professional development	32,951	27,000	23,999	35,952
Total professional development	32,951	27,000	23,999	35,952
Total	3,534,636	2,356,328	2,866,244	3,024,720
Total Designated Assets	4,666,785	2,969,338	3,863,381	3,772,742

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1. AUTHORITY AND PURPOSE

The school division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of “The Board of Education of the Holy Family Roman Catholic Separate School Division No. 140” and operates as “the Holy Family Roman Catholic Separate School Division No. 140”. The school division provides education services to residents within its geographic region and is governed by an elected board of trustees. The school division is exempt from income tax and is a registered charity under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

Significant aspects of the accounting policies adopted by the school division are as follows:

a) Basis of Accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards for other government organizations as established by the Public Sector Accounting Board (PSAB) and as published by the Chartered Professional Accountants of Canada (CPA Canada).

b) Measurement Uncertainty and the Use of Estimates

Canadian public sector accounting standards require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year.

Measurement uncertainty that may be material to these financial statements exists for:

- the liability for employee future benefits of \$384,300 (2021 - \$377,900) because actual experience may differ significantly from actuarial estimations.
- useful lives of capital assets and related accumulated amortization of \$8,500,203 (2021 - \$7,934,759) because the actual useful lives of the capital assets may differ from their estimated economic lives.
- property taxation revenue of \$4,425,368 (2021 - \$6,347,765) because final tax assessments may differ from initial estimates.
- uncollectible taxes of \$24,921 (2021 - \$40,811) because actual collectability may differ from initial estimates.
- estimated undiscounted asset retirement obligation of \$240,734 (2021 - \$240,734) because actual expense may differ significantly from valuation estimates.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

While best estimates are used for reporting items subject to measurement uncertainty, it is reasonably possible that changes in future conditions, occurring within one fiscal year, could require material changes in the amounts recognized or disclosed.

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c) Financial Instruments

Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights, and obligations to receive or deliver economic benefits. The school division recognizes a financial instrument when it becomes a party to the contractual provisions of a financial instrument. The financial assets and financial liabilities portray these rights and obligations in the financial statements. Financial instruments of the school division include cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities and long-term debt.

All financial instruments are measured at cost or amortized cost. Transaction costs are a component of the cost of financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenues or expenses. Impairment losses such as write-downs or write-offs are reported in the statement of operations and accumulated surplus from operations.

Gains and losses on financial instruments, measured at cost or amortized cost, are recognized in the statement of operations and accumulated surplus from operations in the period the gain or loss occurs.

Remeasurement gains and losses have not been recognized by the school division in a statement of remeasurement gains and losses because it does not have financial instruments that give rise to material gains or losses.

d) Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Valuation allowances are used where considered necessary to reduce the amounts reported for financial assets to their net realizable value.

Cash and Cash Equivalents consist of cash, bank deposits and highly liquid investments with maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes taxes receivable and other receivables. Taxes receivable represent education property taxes assessed or estimated owing to the end of the fiscal period but not yet received. The allowance for uncollected taxes is a valuation allowance used to reduce the amount reported for taxes receivable to the estimated net recoverable amount. The allowance represents management's estimate of the amount of taxes that will not be collected taking into consideration prior years' tax collections and information provided by municipalities regarding the collectability of outstanding balances.

Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful.

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Portfolio Investments consist of equity shares in co-operative corporations. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2(c).

e) Non-Financial Assets

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the school division unless they are sold.

Tangible Capital Assets have useful lives extending beyond the accounting period, are used by the school division to provide services to the public and are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, design, construction, development, installation, and betterment of the tangible capital asset.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings*	50 years
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger	5 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

*Buildings that include asbestos and are fully and/or nearly fully amortized have had their useful life reassessed and increased by 10-30 years.

Prepaid Expenses are prepaid amounts for goods or services which will provide economic benefits in one or more future periods. Prepaid expenses include association membership fees, Workers' Compensation premiums, software licenses, and insurance premiums.

f) Liabilities

Liabilities are present obligations arising from transactions and events occurring prior to year-end, which will be satisfied in the future through the use of assets or another form of economic settlement.

Accounts Payable and Accrued Liabilities include accounts payable and accrued liabilities owing to third parties and employees for work performed, goods supplied, and services rendered, but not yet paid, at the end of the fiscal period.

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Asset Retirement Obligation (ARO) consists of buildings assets that contain asbestos. The school division recognizes the fair value of an ARO in the period in which it incurs a legal obligation associated with the retirement of a tangible capital asset. The estimated fair value of an ARO is capitalized as part of the related tangible capital asset and depreciated on the same basis as the underlying asset.

Long-Term Debt is comprised of capital loans with initial maturities of more than one year and incurred for the of financing capital expenses and are incurred for the purpose of financing capital expenses in accordance with the provisions of *The Education Act, 1995*.

Liability for Employee Future Benefits represents post-employment and compensated absence benefits that accrue to the school division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method pro-rated on service. Actuarial valuations are performed periodically using assumptions including discount rate, inflation, salary escalation, termination and retirement rates and mortality. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups.

g) Employee Pension Plans

Employees of the school division participate in the following pension plans:

Multi-Employer Defined Benefit Plans

The school division's employees participate in one of the following multi-employer defined benefit plans:

- i) Teachers participate in the Saskatchewan Teachers' Retirement Plan (STRP). The school division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.
- ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

h) Revenue Recognition

Revenues are recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The school division's sources of revenue include the following:

i) Government Transfers (Grants)

Grants from governments are considered to be government transfers. Government transfers are recognized as revenues when the transfer is authorized, all eligibility

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criteria have been met, except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Transfers with stipulations that meet the definition of a liability are recorded as deferred revenue and recognized as revenue in the statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

ii) Property Taxation

Property tax is levied and collected on a calendar year basis. Uniform education property tax mill rates are set by the Government of Saskatchewan and agreed to by the board of education, although separate school divisions have a legislative right to set their own mill rates. Tax revenues are recognized on the basis of time with 1/12th of estimated total tax revenue recorded in each month of the school division's fiscal year. The tax revenue for the September to December portion of the fiscal year is based on the actual amounts reported by the municipalities for the calendar taxation year. For the January to August portion of its fiscal year, the school division estimates tax revenue based on estimate information provided by municipalities who levy and collect property tax on behalf of the school division. The final annual taxation amounts are reported to the division by each municipality following the conclusion of each calendar taxation year, and any difference between final amounts and the school division's estimates is recorded as an adjustment to revenue in the next fiscal year.

On January 1, 2018, pursuant to *The Education Property Tax Act*, the Government of Saskatchewan became the taxing authority for education property tax. The legislation provides authority to separate school divisions to set a bylaw to determine and apply their own mill rates for education property taxes. For both the 2021 and 2022 taxation years, the school division does have a bylaw in place.

iii) Fees and Services

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iv) Interest Income

Interest is recognized as revenue when it is earned.

v) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the school division if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified,

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at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

i) Accounting Changes

Modified Retroactive adjustment of opening accumulated surplus with restatement of prior period comparatives

During the year, the school division implemented a new accounting policy with respect to its Asset Retirement Obligations (ARO) associated with tangible capital assets to conform to the new Public Sector Accounting standard for ARO (PS 3280). The obligation has been accounted for using the modified retroactive application with restatement of prior period comparative amounts. The change in accounting policy has impacted the school division's financial statements as follows:

	Previously Stated August 31, 2021	Increase (Decrease)	Restated August 31, 2021
Tangible Capital Assets Opening Cost	\$ 18,777,380	\$ 240,734	\$ 19,018,114
Accounts Payable and Accrued Liabilities	408,658	240,734	649,392
Accumulated Surplus	17,101,792	(172,503)	16,929,289
Amortization Expense	582,672	3,978	586,650

3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2022	2021
Portfolio investments in the cost or amortized cost category:	<u>Cost</u>	<u>Cost</u>
Co-operative Corporations, shares	\$ 4,207	\$ 4,038
Total portfolio investments reported at cost or amortized cost	\$ 4,207	\$ 4,038

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4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2022 Actual	2021 Actual
						(Restated - Note 2(i))
Governance	\$ 47,082	\$ 53,343	\$ -	\$ -	\$ 100,425	\$ 102,168
Administration	891,724	231,935	-	28,861	1,152,520	1,073,155
Instruction	10,209,802	852,678	-	58,039	11,120,519	11,920,721
Plant Operation & Maintenance	658,997	838,770	-	410,925	1,908,692	2,615,401
Student Transportation	247,259	134,841	-	50,962	433,062	435,943
Tuition and Related Fees	-	36,250	-	-	36,250	30,663
School Generated Funds	-	181,971	-	24,334	206,305	145,124
Complementary Services	333,536	22,748	-	568	356,852	315,803
External Services	23,202	204,393	-	-	227,595	20,533
Other	-	(15,890)	53,188	-	37,298	69,720
TOTAL	\$ 12,411,602	\$ 2,541,039	\$ 53,188	\$ 573,689	\$ 15,579,518	\$ 16,729,231

5. EMPLOYEE FUTURE BENEFITS

The school division provides certain post-employment, compensated absence and termination benefits to its employees. These benefits include accumulating non-vested sick leave, accumulating vacation banks and retirement gratuity. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. HUB International Limited, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2021 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2022.

Details of the employee future benefits are as follows:

	2022	2021
Long-term assumptions used:		
Discount rate at end of period (per annum)	4.01%	1.97%
Inflation and productivity rate - Teachers (excluding merit and promotion) (per annum)	2.50%	2.50%
Inflation and productivity rate - Non-Teachers (excluding merit and promotion) (per annum)	3.00%	3.00%
Expected average remaining service life (years)	15	15

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Liability for Employee Future Benefits	2022	2021
Accrued Benefit Obligation - beginning of year	\$ 312,300	\$ 356,600
Current period service cost	26,100	30,300
Interest cost	6,500	5,900
Benefit payments	(21,500)	(9,900)
Actuarial gains	(31,500)	(70,600)
Accrued Benefit Obligation - end of year	291,900	312,300
Unamortized net actuarial gains	92,400	65,600
Liability for Employee Future Benefits	\$ 384,300	\$ 377,900

Employee Future Benefits Expense	2022	2021
Current period service cost	\$ 26,100	\$ 30,300
Amortization of net actuarial gain	(4,700)	-
Benefit cost	21,400	30,300
Interest cost	6,500	5,900
Total Employee Future Benefits Expense	\$ 27,900	\$ 36,200

6. PENSION PLANS

Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the school division contributes is as follows:

i) Saskatchewan Teachers' Retirement Plan (STRP)

The STRP provides retirement benefits based on length of service and pensionable earnings.

The STRP is funded by contributions by the participating employee members and the Government of Saskatchewan. The school division's obligation to the STRP is limited to collecting and remitting contributions of the employees at rates determined by the plan. Accordingly, these financial statements do not include any expense for employer contributions to the plan. Net pension assets or liabilities for this plan are not reflected in these financial statements as ultimate responsibility for retirement benefits rests with the Saskatchewan Teachers' Federation.

Details of the contributions to this plan for the school division's employees are as follows:

	2022		2021
	STRP	TOTAL	TOTAL
Number of active School Division members	114	114	105
Member contribution rate (percentage of salary)	9.50%/11.70 %	9.50%/11.70 %	9.50%/11.70 %
Member contributions for the year	\$ 738,346	\$ 738,346	\$ 789,029

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ii) Municipal Employees' Pension Plan (MEPP)

The MEPP provides retirement benefits based on length of service and pensionable earnings. The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees which could affect future contribution rates and/or benefits.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

Details of the MEPP are as follows:

	<u>2022</u>	<u>2021</u>
Number of active School Division members	80	102
Member contribution rate (percentage of salary)	9.00%	9.00%
School Division contribution rate (percentage of salary)	9.00%	9.00%
Member contributions for the year	\$ 270,553	\$ 234,750
School Division contributions for the year	\$ 270,553	\$ 234,750
Actuarial extrapolation date	Dec-31-2021	Dec-31-2020
Plan Assets (in thousands)	\$ 3,568,400	\$ 3,221,426
Plan Liabilities (in thousands)	\$ 2,424,014	\$ 2,382,526
Plan Surplus (in thousands)	\$ 1,144,386	\$ 838,900

7. ACCOUNTS RECEIVABLE

All accounts receivable presented on the statement of financial position are net of any valuation allowances for doubtful accounts. Details of accounts receivable balances and allowances are as follows:

	<u>2022</u>			<u>2021</u>		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 2,285,781	\$ 24,921	\$ 2,260,860	\$ 2,631,852	\$ 40,811	\$ 2,591,041
Other Receivables	46,987	-	46,987	58,327	-	58,327
Total Accounts Receivable	\$ 2,332,768	\$ 24,921	\$ 2,307,847	\$ 2,690,179	\$ 40,811	\$ 2,649,368

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8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2022	2021
Accrued Salaries and Benefits	\$ 49,643	\$ 74,967
Supplier Payments	193,509	329,840
Liability for Asset Retirement Obligation	240,734	240,734
Accrued Interest Payable	3,587	3,851
Total Accounts Payable and Accrued Liabilities	\$ 487,473	\$ 649,392

The school division recognized an estimated liability for asset retirement obligation of \$240,734 (2021 - \$240,734) for the removal and disposal of asbestos. The nature of the liability is an estimate of future costs related to the remediation of asbestos in buildings. The assumptions used in estimating the liability include estimated future costs to remediate asbestos based on material type and related risks associated with the removal of the asbestos.

9. LONG-TERM DEBT

Details of long-term debt are as follows:

	2022	2021
Capital Loan: Toronto Dominion (TD) loan bearing interest of 3.77% per annum, repayable in monthly blended payments of \$11,360. The loan purpose is for school construction. The loan is unsecured and matures on June 1, 2033.	\$ 1,240,283	\$ 1,331,481
Total Long-Term Debt	\$ 1,240,283	\$ 1,331,481

Principal and interest payments on the long-term debt are as follows:			
	Capital Loan	2022	2021
Principal	\$ 91,198	\$ 91,198	\$ 87,575
Interest	48,156	48,156	51,726
Total	\$ 139,354	\$ 139,354	\$ 139,301

Future principal repayments over the next 5 years are estimated as follows:			
	Capital Loan	Total	
2023	\$ 94,406	\$	94,406
2024	97,917		97,917
2025	101,789		101,789
2026	105,695		105,695
2027	109,750		109,750
Thereafter	730,726		730,726
Total future principal repayments	\$ 1,240,283	\$	1,240,283

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10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at August 31, 2021	Additions during the Year	Revenue recognized in the Year	Balance as at August 31, 2022
Non-Capital deferred revenue:				
Education Property Tax	\$ 163,167	\$ 513,844	\$ 163,167	\$ 513,844
Total Deferred Revenue	\$ 163,167	\$ 513,844	\$ 163,167	\$ 513,844

11. COMPLEMENTARY SERVICES

Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the school division's ability to successfully deliver its K-12 curriculum/learning programs.

Following is a summary of the revenues and expenses of the Complementary Services programs operated by the school division:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Early Childhood Intervention Program	Early Learning Intensive Supports	2022	2021
Revenues:					
Operating Grants	\$ 195,424	\$ 64,528	\$ 25,000	\$ 284,952	\$ 313,079
Total Revenues	195,424	64,528	25,000	284,952	313,079
Expenses:					
Salaries & Benefits	222,751	91,531	19,254	333,536	296,768
Instructional Aids	4,967	637	6,266	11,870	4,607
Supplies and Services	1,086	976	2,516	4,578	6,558
Non-Capital Equipment	-	30	499	529	2,628
Communications	-	1,615	-	1,615	1,403
Travel	406	3,547	-	3,953	2,863
Professional Development (Non-Salary Costs)	-	203	-	203	408
Amortization of Tangible Capital Assets	568	-	-	568	568
Total Expenses	229,778	98,539	28,535	356,852	315,803
Deficiency of Revenues over Expenses	\$ (34,354)	\$ (34,011)	\$ (3,535)	\$ (71,900)	\$ (2,724)

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12. EXTERNAL SERVICES

External services represent those services and programs that are outside of the school division's learning/learning support and complementary programs. These services have no direct link to the delivery of the school division's K-12 programs nor do they directly enhance the school division's ability to deliver its K-12 programs.

Following is a summary of the revenues and expenses of the External Services programs operated by the school division:

Summary of External Services Revenues and Expenses, by Program	Family Resource Centre	Child and Family Services	2022	2021
Revenues:				
Operating Grants	\$ 215,000	\$ 6,720	\$ 221,720	\$ 6,419
Total Revenues	215,000	6,720	221,720	6,419
Expenses:				
Tuition & Other Related Fees	204,250	-	204,250	-
Salaries & Benefits	10,750	12,452	23,202	12,239
Supplies and Services	-	115	115	8,267
Travel	-	28	28	27
Total Expenses	215,000	12,595	227,595	20,533
Excess (Deficiency) of Revenues over Expenses	\$ -	\$ (5,875)	\$ (5,875)	\$ (14,114)

13. ACCUMULATED SURPLUS

Accumulated surplus represents the financial assets and non-financial assets of the school division less liabilities. This represents the accumulated balance of net surplus arising from the operations of the school division including school generated funds.

Certain amounts of the accumulated surplus, as approved by the board of education, have been designated for specific future purposes and are included in the accumulated surplus presented in the statement of financial position. The school division does not maintain separate bank accounts for designated assets.

Details of accumulated surplus are as follows:

	August 31, 2021	Additions during the year	Reductions during the year	August 31, 2022
	(Restated - Note 2(i))			
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 11,338,270	\$ 105,730	\$ 579,186	\$ 10,864,814
Less: Liability for Asset Retirement Obligation	(240,734)	-	-	\$ (240,734)
Less: Debt owing on Tangible Capital Assets	(1,331,481)	-	91,198	\$ (1,240,283)
	9,766,055	105,730	670,384	9,383,797
Designated Assets (Schedule F)	4,666,785	2,969,338	3,863,381	3,772,742
Unrestricted Surplus	2,496,449	14,795	800,580	1,710,664
Total Accumulated Surplus	\$ 16,929,289	\$ 3,089,863	\$ 5,334,345	\$ 14,867,203

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14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 9, 2021 and the Minister of Education on August 27, 2021.

15. CONTRACTUAL OBLIGATIONS

Operating lease obligations of the school division are as follows:

	Operating Leases			
	Office Rental	Copier Leases	Vehicles	Total Operating
Future minimum lease payments:				
2023	\$ 153,382	\$ 22,027	\$ 7,181	\$ 182,590
2024	155,277	-	7,181	162,458
2025	157,247	-	-	157,247
Total Lease Obligations	\$ 465,906	\$ 22,027	\$ 14,362	\$ 502,295

16. RISK MANAGEMENT

The school division is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk (consisting of interest rate risk).

i) Credit Risk

Credit risk is the risk to the school division from potential non-payment of accounts receivable. The credit risk related to the school division's receivables from the provincial government, federal government and their agencies are considered to be minimal. For other receivables, the school division has adopted credit policies which include short term accounts receivable due on demand of invoicing or contract.

The school division does not have a significant exposure to any individual customer. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect impairment in collectability.

The aging of other accounts receivable as at August 31, 2022, was:

	August 31, 2022				
	Total	0-30 days	31-60 days	61-90 days	Over 90 days
Other Receivables	\$ 11,487	\$ 9,832	\$ -	\$ -	\$ 1,655
Gross Receivables	11,487	9,832	-	-	1,655
Net Receivables	\$ 11,487	\$ 9,832	\$ -	\$ -	\$ 1,655

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Receivable amounts related to GST, PST and Property Tax are not applicable to credit risk, as these do not meet the definition of a financial instrument.

ii) Liquidity Risk

Liquidity risk is the risk that the school division will not be able to meet its financial obligations as they come due. The school division manages liquidity risk by maintaining adequate cash balances, line of credit, budget practices and the use of monitoring and forecasts.

The following table sets out the contractual maturities of the school division's financial liabilities:

	August 31, 2022				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 487,473	\$ 246,739	\$ -	\$ -	\$ 240,734
Long-term debt	1,240,283	46,571	47,835	415,151	730,726
Total	\$ 1,727,756	\$ 293,310	\$ 47,835	\$ 415,151	\$ 971,460

iii) Market Risk

The school division is exposed to market risks with respect to interest rates, as follows:

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The school division's interest rate exposure relates to its authorized bank line of credit of \$1,100,000 with interest payable monthly at a rate of prime minus 0.6% per annum. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no outstanding balance on this credit facility at August 31, 2022.

The school division minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency;
- investing in term deposits for short terms at fixed interest rates;
- investing in Co-operative Corporations;
- managing cash flows to minimize utilization of its bank line of credit;
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt.

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17. COVID-19 PANDEMIC

The COVID-19 pandemic is complex and rapidly evolving. It has caused material disruption to businesses and has resulted in an economic slowdown. The school division continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the school division's financial position and operations.